

MINUTES

MONTANA SENATE 60th LEGISLATURE - REGULAR SESSION

COMMITTEE ON TAXATION

Call to Order: By **CHAIRMAN JIM ELLIOTT**, on March 29, 2007 at 8:00 A.M., in Room 405 Capitol.

ROLL CALL

Members Present:

Sen. Jim Elliott, Chairman (D)
Sen. Jerry W. Black (R)
Sen. Jeff Essmann (R)
Sen. Kelly Gebhardt (R)
Sen. Kim Gillan (D)
Sen. Dan Harrington (D)
Sen. Christine Kaufmann (D)
Sen. Sam Kitzenberg (D)
Sen. Jim Peterson (R)
Sen. Bob Story Jr. (R)

Members Excused: Sen. Trudi Schmidt (D)

Members Absent: None.

Staff Present: Lee Heiman, Legislative Branch
Lois O'Connor, Committee Secretary

Audio Committees: These minutes are in outline form only. They provide a list of participants and a record of official action taken by the committee. The link to the audio recording of the meeting is available on the Legislative Branch website.

Committee Business Summary:

Hearing & Date Posted: HB 257, 3/26/2007; HB 362,
3/26/2007; HB 778, 3/26/2007
Executive Action: SB 556, HB 557, SB 105

00:00:23

HEARING ON HB 257

Opening Statement by Sponsor:

00:00:41 **REP. BOB LAKE (R), HD 88**, opened the hearing on **HB 257**,
Revise taxpayer bill of rights.

Proponents' Testimony:

00:02:51 Joe Shevlin, Montana Society of Certified Public
Accountants (MSCPA)

00:03:59 Holly Franz, MSCPA and for the Montana Taxpayers
Association (MonTax)

Opponents' Testimony:

00:06:55 C.A. Daw, Legal Counsel, Montana Department of Revenue
(DOR)

Informational Testimony: None.

Questions from Committee Members and Responses:

00:18:45 Sen. Dan Harrington to Mr. Daw, DOR

00:21:31 Sen. Jeff Essmann to Mr. Daw, DOR

00:22:35 Sen. Jim Peterson to Mr. Daw, DOR

00:25:53 Sen. Robert Story to Mr. Daw, DOR

00:27:37 Sen. Story to Ms. Franz, MSCPAs

00:32:08 Sen. Jerry Black to Ms. Franz, MSCPAs, rereferred to
Mr. Daw, DOR

00:33:46 Sen. Black to Rep. Lake

00:34:22 Sen. Essmann to Mr. Shevlin, MSCPAs

00:36:34 Sen. Kelly Gebhardt, to Mr. Daw, DOR

00:39:05 Sen. Story to Mr. Daw, DOR

00:41:32 Sen. Black to Mr. Daw, DOR

00:42:58 Sen. Kim Gillan to Mr. Daw, DOR

Closing by Sponsor:

00:45:59 Rep. Lake

HEARING ON HB 362

Opening Statement by Sponsor:

00:48:51 **REP. ALAN OLSON (R), HD 45**, opened the hearing on **HB 362**, Authorize cancellation of certain delinquent real property taxes.

Proponents' Testimony:

00:51:13 Ronda Wiggers, Montana County Treasurers Association (MCTA)

00:55:14 Sheryl Wood, Associate Director, Montana Association of Counties (MACo)

Opponents' Testimony: None.

Informational Testimony: None.

Questions from Committee Members and Responses:

00:55:56 Sen. Essmann to Ms. Wiggers, MCTA

00:58:38 Sen. Essmann to Rep. Olson

00:59:21 Sen. Gebhardt

01:00:11 Sen. Story to Ms. Wood, MACo

01:01:15 Sen. Story to Sen. Essmann

Closing by Sponsor:

01:02:03 Rep. Olson

HEARING ON HB 778

Opening Statement by Sponsor:

01:03:35 **REP. WAYNE STAHL (R), HD 35**, opened the hearing on **HB 778**, Clarify government exemption from oil and gas production taxes.

EXHIBIT (tas67a01)

Proponents' Testimony:

01:06:34 Willie Duffield, Executive Director, Montana Association of Oil, Gas, and Coal Producing Counties (MAOGCPC)

01:07:32 Gail Ambercrombie, for Executive Director, Montana Petroleum Association

01:08:21 Sheryl Wood, Associate Director, Montana Association of Counties (MACo)

Opponents' Testimony:

Informational Testimony:

01:08:49 Lee Baerlocher, Montana Department of Revenue (DOR)

Questions from Committee Members and Responses:

01:09:01 Sen. Essmann to Mr. Duffield, MAOGCPC

01:09:30 Sen. Gebhardt to Mr. Baerlocher, DOR

01:10:40 Sen. Gebhardt to Rep. Stahl

Closing by Sponsor:

01:11:49 Rep. Stahl

General Discussion:

01:13:06 Sen. Kitzenberg to Sen. Story

01:13:56 Sen. Essmann

01:14:33 Sen. Story

01:14:54 Sen. Essmann

01:15:09 Recess

02:01:00 Reconvene

EXECUTIVE ACTION ON SB 556

02:01:57 **Motion:** SEN. ELLIOTT moved that SB 556 DO PASS.

02:02:09 **Motion:** SEN. ELLIOTT moved to amend SB 556 with amendment #SB055601.ALH.

EXHIBIT (tas67a02)

Discussion:

02:02:37 Sen. Elliott

02:04:05 Lee Heiman, Staff Attorney, Legislative Services Division (LSD)

02:06:07 Sen. Elliott to Mr. Heiman, LSD

02:06:40 Sen. Elliott

EXHIBIT (tas67a03)

02:09:05 Sen. Gillan to Steve Mathews, Office of the Honorable State Auditor John Morrison (SAO)

02:10:49 Sen. Peterson to Mr. Mathews, SAO

02:12:06 Sen. Peterson to Sen. Elliott rereferred to Mr. Mathews, SAO

02:12:42 Sen. Story to Mr. Mathews, SAO

02:13:53 Sen. Story to Sen. Elliott

02:15:19 Sen. Gebhardt

02:15:48 Sen. Elliott

02:16:25 Sen. Elliott to Tanya Ask, Blue Cross Blue Shield of Montana (MBCBS)

02:17:47 Sen. Elliott to Mr. Mathews, SAO

02:20:32 Sen. Elliott to Ms. Ask, MBCBS

02:29:53 Sen. Elliott

02:31:18 **Vote:** Motion that amendment #SB055601.ALH be approved carried 7-4 by roll call vote with SEN. BLACK, SEN. GEBHARDT, SEN. PETERSON, and SEN. STORY voting no. SEN. SCHMIDT voted aye by proxy.

02:32:08 **Motion:** SEN. ELLIOTT moved that SB 556 DO PASS AS AMENDED.

Discussion:

02:32:20 Sen. Peterson

02:33:44 Sen. Story

02:34:34 Sen. Essmann

02:36:49 Sen. Gebhardt to Sen. Elliott

02:38:02 Sen. Elliott to Mr. Mathews, SAO, rereferred to Gordon Higgins, Deputy State Auditor, SAO

02:40:26 Sen. Gillan to Sen. Elliott

02:40:53 Sen. Elliott

02:41:28 Sen. Dan Harrington

02:43:50 Sen. Gillan

02:46:24 Sen. Black

02:48:31 Sen. Elliott

02:53:24 **Vote:** Motion that SB 556 DO PASS AS AMENDED failed 4-7 by roll call vote with SEN. ELLIOTT, SEN. HARRINGTON, SEN. KAUFMANN, and SEN. KITZENBERG voting aye. SEN. SCHMIDT voted no by proxy.

02:53:27 **Motion/Vote:** SEN. GEBHARDT moved that SB 556 BE TABLED AND THE VOTE REVERSED. Motion carried 7-4 with SEN. ELLIOTT, SEN. HARRINGTON, SEN. KAUFMANN, and SEN. KITZENBERG voting no. SEN. SCHMIDT voted aye by proxy.

EXECUTIVE ACTION ON HB 557

02:54:23 **Motion/Vote:** SEN. BLACK moved that HB 557 BE TABLED.

Discussion:

02:54:38 Sen. Black

02:55:13 **Vote:** Motion that HB 557 BE TABLED carried 9-1 by voice vote with SEN. GEBHARDT voting no. SEN. SCHMIDT was excused.

EXECUTIVE ACTION ON SB 105

03:01:09 **Motion:** SEN. GILLAN moved that SB 105 DO PASS.

03:01:22 **Motion:** SEN. GILLAN moved to amend SB 105 with amendment #SB010502.ALH.

EXHIBIT(tas67a04)

Discussion:

03:01:47 Mr. Heiman, LSD

03:03:34 Sen. Elliott

03:04:04 Sen. Elliott to Mr. Heiman, LSD

03:04:26 Sen. Story

03:05:28 Sen. Essmann

03:07:07 **Vote:** Motion that #SB010502.ALH be approved carried 10-1 by roll call vote with SEN. ESSMANN voting no. SEN. SCHMIDT voted aye by proxy.

03:07:52 **Motion:** SEN. GILLAN moved that SB 105 DO PASS AS AMENDED.

Discussion:

03:08:04 Sen. Gillan

03:08:51 Sen. Gebhardt

03:10:09 Sen. Peterson

03:11:14 Sen. Story

03:12:04 Sen. Black

03:13:13 Sen. Harrington

03:15:13 Sen. Christine Kaufmann

03:15:44 **Motion:** SEN. ELLIOTT moved to further amend SB 105
with a CONCEPTUAL AMENDMENT.

Discussion:

03:16:36 Sen. Peterson

03:18:07 **Vote:** Motion CONCEPTUAL AMENDMENT failed 3-8 by roll
call vote with SEN. ELLIOTT, SEN. GILLAN, and SEN.
HARRINGTON voting aye. SEN. SCHMIDT voted no by proxy.

03:19:10 **Motion/Vote:** SEN. GILLAN moved that SB 105 DO PASS AS
AMENDED. Motion carried 8-3 by roll call vote with SEN.
ELLIOTT, SEN. GEBHARDT, and SEN. STORY voting no. SEN.
SCHMIDT voted aye by proxy.

General Discussion:

03:22:24 Sen. Elliott

ADJOURNMENT

Adjournment: 11:30 P.M.

SEN. JIM ELLIOTT, Chairman

LOIS O'CONNOR, Secretary

JE/lo

Additional Exhibits:

EXHIBIT ([tas67aad.pdf](#))